GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2468
ANSWERED ON:16.12.2008
BILATERAL TRADE WITH NEPAL
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to increase bilateral trade with Nepal; and

(b) if so, the details thereof during each of the last three years and the current year, item-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) and (b) Under the existing India-Nepal Treaty of Trade, India, on a non-reciprocal basis, gives duty-free market access to goods manufactured in Nepal. The Treaty also provides for free trade between the two countries on mutually agreed primary goods. Both the countries are presently engaged in discussion to make some changes in the Treaty as a measure to further streamline the procedural aspects therein to facilitate smooth bilateral trade. Recently, the India − Nepal Inter Governmental Committee (IGC) meeting at Commerce Secretary level was held to discuss ways and means for stimulating growth of bilateral trade. The bilateral trade between India and Nepal has shown buoyancy and can be seen from the following table:

The trade between India and Nepal during 2005-2006 to 2007-2008 in US million dollar is given below:

(Table − I)

Year	Export	Import
2005-06	860	380
2006-07	928	306
2007-08	506	628
2008-09 (April-July)	589	196

Source: DGCI&S Kolkata through DOC NIC

The item-wise details of trade between the two countries for the last three years, upto 2007-2008 are available in the website http://commerce.nic.in under the heading Export Import Data Bank. As per provisional information available, the top ten items of export and import between India and Nepal during April-July 2008 are given below:

Top ten items of export from India to Nepal during

April-July 2008 (2008-2009)

(Table − II)

Sl.No.	Product name	Value in US$ million

1. Petroleum (crude & products) 230.09

2. Primary & semi-finished iron & steel 63.53

3. Transport equipments 32.70

4. Machinery and instruments 29.17

5. Drugs, pharmaceuticals & fine chemicals 27.22

6. Spices 19.79

7 Plastic & linoleum products 18.04

8. Glass/glassware/ceramics/reftrs/cement 16.69

9. Other commodities 14.06

10. Paper/wood products 10.25

Top ten items imports from Nepal into India during

April-July 2008 (2008-2009)

(Table – III)

Sl.No. Product name Value in US$ million

1. Iron & steel 39.71

2. Other commodities 38.54

3. Man-made fmnt/spun yarn 26.49

4. Artificial resins,plastic materials, etc. 19.42

5. Non-ferrous metals 10.68

6. Other txt yarn, fabs,madeup artl 9.94

7 Spices 7.72

8. Chemical material & products 6.81

9. Tea 5.72

10. Made- up textile articles 4.71

Source: DGCI&S Kolkata through DOC NIC